Hong Kong Ministerial meeting of WTO

871. SHRI KALRAJ MISHRA:
SHRI RAJKUMAR DHOOT:
SHRI MANOJ BHATTACHARYA:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) What strategy had been evolved at the Hong Kong Ministerial meet of WTO, to help the Indian farmer and agriculture-based industry against dumping of agricultural products in the market;

(b) Whether India does not favour linking reduction in agriculture subsidy with other issues like market access and reduction in custom duties in the light of the decisions taken at the Doha round of negotiations; and

(c) What specific steps are contemplated to be decided upon for the forthcoming WTO round of talks at Hong Kong to enable third world Countries to export their farm products to the developed world at competitive prices?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH) : (a) to (c) The Sixth WTO Ministerial Conference was held from 13-18 December, 2005 at Hong Kong, India's overall objectives in the negotiations launched at the Doha Ministerial Conference of the WTO in November, 2001 have been to secure a final outcome that is consistent with the agreed negotiating mandate. In respect of argiculture, India has engaged in these negotiations to ensure that its core concerns and interests, including to safeguard the Indian farmer and agriculture-based industries against dumping of agricultural products, continue to be adequately addressed.

As required by the exigencies of the on-going negotiations, India been submitting proposals on each of the three pillars in agriculture, namely, export competition, domestics support, and market access with a view to upholding its National interests through a balanced outcome across these three pillars.

India was proactive at Hong Kong in articulating its position on issues of concern to it and other developing countries. India has also been working closely with other likeminded countries and groupings such as G-20 in agriculture and the G-33 on Special Products and Special Safeguard Mechanism to further strengthening the developing country coalitions to

secure early elimination of export subsidies, substantial and effective reductions in trade-distorting domestic support, and substantial improvements in market access, particularly for products of export interest to developing countries. A Ministerial Declaration was adopted at the conclusion of Hong Kong Ministerial conference, copy of which has been provided to the Library of both the Houses of Parliament—Rajya Sabha and Lok Sabha for reference by Hon'ble Members'. The key outcome and timelines on agriculture are as follows:

- Resolved to complete the Doha Work Programme fully and conclude negotiations in 2006.
- To establish modalities in agriculture by 30 April, 2006; draft schedules to be submitted by July 31, 2006.
- to eliminate export subsidies by 2013, with substantial part in the first half of implementation period; elimination of cotton export subsidies by developed countries by 2006.
- Developing countries will continue to benefit from the provisions on marketing and transport subsidies on agricultural exports for five years after the end date for eliminations of all forms of export subsidies.
- On trade distorting domestic support, the three heaviest subsidizers to attract steepest cuts; developing countries like India, with no AMS, will be exempt from any cuts on *de minimis* and on overall levels.
- Developing countries to have the flexibility to self-designate Special Products; price and quantity triggers agreed for the Special Safeguard Mechanism.

- In Cotton, export subsidies to be eliminated by developed countries in 2006; trade distorting domestic subsidies to be reduced more ambitiously and over a shorter period of time.
- To advance development objectives, balance in ambition in market access between Agriculture and NAMA required.

Crucial issues are under negotiations in the work leading up to finalization of modalities in agriculture and in accordance with its ongoing policy, the Government has been holding stakeholder consultations to protect and pursue our National interest, interests of the farmers and exporters. Government is committed to intervene in a WTO- compatible manner to protect the interest of all domestic stakeholders, especially, farmers and exporters.

Constitution of Indian Trade Organisation

†872. SHRIMATI KAMLA MANHAR: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government propose to constitute Indian Trade Organisation on the lines of World Trade Organisation;

(b) if so, what is the blue-print of it; and

(c) what is the progress of action taken/going to be taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) and (b) The Government has received a recommendation from the National Commission on Farmers in its third interim report in January, 2006 for the establishment of an Indian Trade Organization (ITO). It is, *inter alia*, envisaged to serve as a brain and information bank for enabling Government to take informed and proactive dicisions and providing timely advice on potential surpluses and shortages of major agriculture commodities by maintaining a trade watch.

(c) The recommendations are being examined by the Government and decision will be taken in due course.

†Original notice of the question was received in Hindi.